

Michael Wickman

From: Michael Wickman
Sent: Thursday, June 04, 2009 9:46 AM
To: 'Wadd, Jay'
Subject: FW: email
Attachments: copy fee email WHIMA.doc

Jay:

Attached is a memo that is going out to WHIMA membership today. It adds additional perspective to the impact of this legislation.

Phil Montgomery has agreed to attend a press conference. I will be in and out of meetings on this all day today so it would be best to call our main number 920-469-5000 and press "0" for assistance. You will then get my assistant Briana and she will interrupt me so that I am able to speak with you and Dave.
Again, the premise of the conference would be to relate:

1. The undermined approach to the introduction of this legislation. It has been a hot topic since April of 2007 and this back door approach goes against traditional rule setting and state policy.
2. How the language goes against the Federal Privacy Rule of HIPAA in the protection of the patient.
3. How the pricing proposed is 80% less than MI & MN
4. The convoluted approach to electronic records...motion incents healthcare to stay paper based
5. How passing this motion will eliminate 250 WI jobs and IOD's WI division and/or it would entail shifting \$10.8 million in cost to our health care clients to offer the same service as they are receiving today.

I will wait to hear from you...

Mike

From: clemery@weatrust.com [mailto:clemery@weatrust.com]
Sent: Thursday, June 04, 2009 8:14 AM
To: Michael Wickman
Subject: email

Here's the email going to all WHIMA members sometime today.

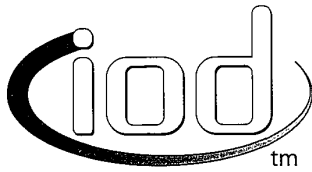
Urgent: Proposed copy fee changes with negative financial impact on hospitals, clinics, and copy services may be signed by 6/12/09!!

Overview:

On 5/29/09, the Wisconsin Joint Finance Committee voted to approve a motion, 671, that would permanently set copy fees (for medical records) in the FY2009-11 budget. The proposed fee structure does not cover the costs, and the impact to copy services and healthcare facilities is potentially devastating.
The motion is available at <http://www.wispolitics.com/1006/090529motion671.pdf>

What do YOU need to do:

The WHIMA Policy and Legislative Team requests ALL members to make a telephone call, send an e-mail, or both, to your Assembly Representative(s) and Senator(s) by June 12. The objective and talking points to include in your discussions and correspondence are below.



Subpoena Duces Tecum – Document #14 and
#15
Tpearson 12.31.18

June 5, 2009

Senator Dave Hansen
Room 18 South
State Capitol
P.O. Box 7882,
Madison WI 53707-7882

Dear Senator Hansen:

I am writing you this letter to inform you of the devastating impact that Motion #671 would have on our business and the financial ramifications associated with cost shifting millions of dollars to healthcare providers in our state.

As you are aware, I have worked in the business of providing the duplication and distribution of patient health care records for over 25 years. I founded my company in Wisconsin back in 1983, and our corporate headquarters continue to remain in Green Bay. I am very well versed in the industry, as our company currently provides release of information services to 427 health care providers in our state. There is great concern over Motion #671 from our company and from all of our health care clients that rely on our services each and every day. Our company currently generates in excess of 18 million copies annually on behalf of our WI hospital and clinic customers. If passed, Motion #671 as proposed would cause us to shut down our WI division resulting in the loss approximately 250 jobs and/or it would entail us shifting \$10.8 million in additional costs to our health care clients to continue to offer the same service they are receiving today. In total, WI health care providers make in excess of 50 million copies of health care records annually. If this motion passes, the total cost shift to WI health care institutions will be in excess of \$30 million. These are costs that for many years have been general operating expenses of the "for profit" companies that request duplicates of medical records. Motion #671 shifts this expense from these for profit organizations to the health care provider and ultimately the patient. Unfortunately, less than 10% of all patients ever request duplicates of health care records, resulting in a financial burden that all patients will have to endure.

Another concern is that the language in this motion goes directly against the Federal Privacy Rule in that it attempts to redefine a patient's "personal representative" allowing the freedom for anyone who possesses a patient's informed consent to have access to duplicate copies at a cost that HIPAA protects only for the patients themselves. The language also attempts to apply penalties to timelines of releasing patient records that are in direct conflict with provisions in the Privacy Act.

Senator Hansen, the reproduction of health care records has been a hot topic since the DFHS promulgated HFS 117 in April of 2007 and arbitrarily set fees that did not cover the costs for services of duplicating health care records. Cost data was submitted by five WI health care organizations along with our company and the Department never showed the courtesy of a follow-up to their promise of reviewing and revising rates to reflect actual costs. Knowing the history that surrounds this issue, the undermined approach of attaching this motion to the budget circumvents the required and deliberative administrative rule process for setting record copy fees. The fees attached to Motion #671 represent charges that are 80% less than what legislative rulings have determined to reflect actual costs in our neighboring states of MN and MI. They also do not include the necessary price indexing. I ask you, how unfair and self-serving are proposed rates that are 80% less than what is being charged in those states? I have included the updated fee schedules from both MI and MN for your review.

Our company has invested in excess of \$5 million in software and process re-engineering over the past three years to support the electronic capture and secure distribution of health care information. The convoluted approach to electronic records as defined in Motion #671 actually incents health care institutions to remain paper based. The wording in the motion suggests that electronic copies be released free of charge. This specifically goes against both state and federal initiatives that incent the movement toward the electronic patient record.

Dave, I appreciate the opportunity to express my opposition to Motion #671. I am in full support of reaching compromised legislation that models our neighboring states and supports the Federal Privacy Rule, however, if that cannot be reached Motion #671 needs to be removed from the budget or many WI jobs will be lost and millions of dollars of added costs will be levied upon WI health care providers.

Thank you for your time and attention to this very critical matter.

Respectfully,



Michael Wickman, CEO
IOD Incorporated